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INFO AMEMBASSY ABU DHABI
AMCONSUL ADANA
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AMEMBASSY ISLAMABAD
AMEMBASSY KUWAIT
AMEMBASSY LONDON
AMEMBASSY MANAMA
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AMEMBASSY SANAA
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S E C R E T SECTION 01 OF 04 DAMASCUS 07872

LONDON FOR RAPHEL
PARIS FOR WINN
UNCINCCENT FOR POLAD LOWRIE

E.O.12356: DECL: OADR
TAGS: [PREL](#) [KPRP](#) [SY](#) [IR](#)
SUBJECT: SYRIA AND IRAN: ALMOST A RETURN TO STATUS QUO
ANTE

REF: A) DAMASCUS 7586, B) DAMASCUS 7844

[1](#)1. SECRET - ENTIRE TEXT.

[1](#)2. SUMMARY: BY CUTTING OFF OIL TO SYRIA, IRAN
SIGNALLED ITS DISPLEASURE OVER THE MOUNTING SYRIAN DEBT
TO IRAN, SYRIAN POLICIES IN LEBANON, AND MOVES TOWARD
RAPPROCHEMENT WITH JORDAN AND IRAQ. BY ALL ACCOUNTS,
HOWEVER, PM KASM'S VISIT TO TEHRAN DECEMBER 1-3
PRODUCED AGREEMENT THAT THE OIL SHIPMENTS ARE TO BE
RESUMED. THE IRANIANS CANNOT EXPECT SIGNIFICANT SYRIAN
PAYMENT FOR PAST OR PRESENT DELIVERIES, BUT NOW THEY
SEEM WILLING TO GO AHEAD ANYWAY. THEY APPARENTLY HAVE
BEEN REASSURED ABOUT SYRIA'S RELATIONS WITH JORDAN AND
IRAQ, AND THEY MAY HAVE BECOME MORE RESIGNED TO SYRIAN
POLICIES IN LEBANON. ASAD APPEARS TO HAVE EMERGED FROM
THESE THREE MONTHS OF TENSION WITH IRAN WITH HIS BALANCE
OF SOURCES OF AID INTACT. END SUMMARY.

SYRIAN PRESSURE, IRANIAN COUNTER PRESSURE

[1](#)3. THE PERIOD SEPTEMBER TO NOVEMBER 1985 WAS ONE OF
HEIGHTENED DIFFERENCES BETWEEN SYRIA AND IRAN. FOR
THE FIRST TIME IN THE RECENT RELATIONSHIP OF THOSE TWO
COUNTRIES, THE FLOW OF IRANIAN OIL TO SYRIA WAS INTER-
RUPTED. AT THE TIME OF THE OIL CUTOFF IN LATE AUGUST,
WE BELIEVED THAT THE PROXIMATE CAUSE WAS THE EFFECTIVE
IRAQI BOMBINGS OF KHARG ISLAND. HOWEVER, THE IRANIANS,
AS WE UNDERSTAND IT, WERE ABLE FAIRLY QUICKLY TO
REPAIR THE DAMAGE DONE TO KHARG, WHILE THE OIL CUTOFF
HAS CONTINUED UNTIL THE PRESENT.

[1](#)4. IN SUM, THE IRANIANS WERE SENDING THE SYRIANS A
SIGNAL. THAT SIGNAL COINCIDED WITH SIGNIFICANT SYRIAN
PRESSURE AGAINST THE IRANIANS IN SEVERAL SECTORS.
FIRST WERE THE PALPABLY INCREASED SYRIAN STRICTURES
ON HIZBALLAH AND THE SIEGE OF THE IRANIAN-SUPPORTED
FUNDAMENTALISTS IN TRIPOLI IN LATE SEPTEMBER AND EARLY
OCTOBER, RESULTING IN A DEFEAT FOR THE FUNDAMENTALISTS

(AND THUS FOR IRAN). IN THE SAME TIME PERIOD OCCURRED PRINCE 'ABDALLAH'S MISSIONS TO DAMASCUS, AMMAN, AND BAGHDAD WHICH LED TO THE PRESENT RECONCILIATION WITH JORDAN AND A SPATE OF RUMORS OF A RECONCILIATION WITH IRAQ. THESE DEVELOPMENTS OCCURRED AGAINST A BACKGROUND OF THE MOUNTING SYRIAN DEBT TO IRAN, NOW POSSIBLY AMOUNTING TO SEVERAL BILLION DOLLARS. THE IRANIAN GOVERNMENT WAS--AND STILL IS--UNDER PRESSURE FROM MEMBERS OF THE MAJLIS WHO ARE ANGERED BY SYRIAN FAILURE TO PAY ON THE DEBT; AND THE IRANIAN PRESS HAS RECENTLY HAD SOME VERY UNSAVORY THINGS TO SAY ABOUT SYRIA.

THE KASM VISIT: THE HEAT IS OFF

15. BY ALL ACCOUNTS THAT WE HAVE SEEN OR HEARD, THE VISIT OF SYRIAN PRIME MINISTER KASM TO IRAN DECEMBER 1-3 ALLEVIATED MANY OF THESE TENSIONS. WE HAVE NOT YET FOUND SOLID CONFIRMATION THAT THE IRANIANS HAVE RESUMED SHIPPING OIL TO SYRIA, BUT A WIDE RANGE OF INTERLOCUTORS HERE--BOTH SYRIANS AND DIPLOMATS WHO HAVE HEARD FROM THEIR EMBASSIES IN TEHRAN--HAVE BEEN IN AGREEMENT THAT SYRIA GOT ALL OR MOST OF WHAT IT WANTED ON THE ECONOMIC FRONT. MINISTER OF ECONOMY 'IMADI, WHO TRAVELED TO TEHRAN WITH KASM, TOLD THE AUSTRALIAN DCM THAT THE IRANIANS AGREED TO RESUME OIL DELIVERIES, AND THE FRENCH DCM GOT THE SAME MESSAGE DURING A VISIT TO THE IRANIAN EMBASSY HERE. OUR JAPANESE COLLEAGUES ASSERT THAT THE IRANIANS HAVE AGREED TO A NEW ONE-YEAR SCHEME INVOLVING THE IMMEDIATE RESUMPTION OF OIL SHIPMENTS. (ACCORDING TO THE JAPANESE, THIS AGREEMENT PROVIDES 1 MILLION TONS FREE, 2 MILLION TONS FOR HARD CURRENCY, AND 2 MILLION TONS FOR BARTER. IF SO, THE IRANIANS ARE ONCE AGAIN DISINGENUOUS: IT IS EXTREMELY UNLIKELY THE SYRIANS WILL PAY HARD CURRENCY FOR EVEN 2 MILLION TONS, NOR DO THEY HAVE GOODS WORTH THE EQUIVALENT OF 2 MILLION TONS TO BARTER.) OUR KUWAITI COLLEAGUES ASSURE US THAT THE PORTION (THEORETICALLY) TO BE PAID FOR IN HARD CURRENCY IS TO BE DELIVERED AT "SIGNIFICANTLY BETTER RATES" THAN OBTAINED UNDER THE PREVIOUS AGREEMENT OF APRIL 1985. FROM SUCH REPORTS, IT APPEARS THAT THE IRANIANS HAVE RECOGNIZED THAT THEY ARE NOT GOING TO GET MUCH HARD CURRENCY--WHETHER FOR THE NEW SHIPMENT OR IN PAYMENT FOR THE OLD. THE NET RESULT IS A SYRIAN VICTORY ON THE KEY DEBT/PAYMENT ISSUE.

16. MEANWHILE, ON DECEMBER 13-18 THE IRANIANS SENT THEIR MINISTER OF ISLAMIC GUIDANCE, MUHAMMAD KHATAMI, TO DAMASCUS (REF B). KHATAMI WAS FULL OF WORDS OF PRAISE FOR SYRIA, WAS WARMLY RECEIVED BY ASAD AND BY A HOST OF SYRIAN MINISTERS, SIGNED AN INFORMATION COOPERATIVE AGREEMENT, OPENED AN IRANIAN CULTURAL COUNCIL IN DAMASCUS, AND IN GENERAL GAVE A FURTHER REAFFIRMATION OF THE RELATIONSHIP.

THE IRANIANS MAY HAVE GIVEN UP ON SOME POINTS

17. WE DO NOT WANT TO OVEREMPHASIZE THE POINT, BUT IT APPEARS TO US THAT THE NET RESULT OF THESE PAST THREE MONTHS OF INCREASED TENSION BETWEEN SYRIA AND IRAN IS A RESOLUTION AT SOME EXPENSE TO IRAN. IF THE IRANIANS ARE RESUMING OIL SHIPMENTS AT THE PREVIOUS RATE OR NEAR TO IT, THE LOSS IS AN EXPENSIVE ONE--WORTH \$1 BILLION/YEAR IN OIL. ON THE POLITICAL FRONT, THE IRANIANS HAVE GIVEN UP POINTS AS WELL, PARTICULARLY AS REGARDS LEBANON. THE JOINT COMMUNIQUE OF THE KASM VISIT TREATED LEBANON IN A WAY TO SUGGEST THAT IRAN NOW ENDORSES SYRIAN POLICIES IN LEBANON. SINCE IT IS CLEAR THAT IRAN OPPOSES MANY OF SYRIA'S POLICIES IN LEBANON, THIS ENDORSEMENT IS A REMARKABLE PUBLIC CONCESSION. AT THE SAME TIME, WE DO NOT BELIEVE THAT THE IRANIANS HAVE PUT AWAY THEIR AMBITIONS FOR A FUNDAMENTALIST SHI'A-DOMINATED STATE IN LEBANON, ESPECIALLY SINCE IRAN'S ALLIES THERE ARE NOT PART OF THE SYRIAN-BROKERED TRIPARTITE NEGOTIATION. WE WOULD NOT BE SURPRISED TO LEARN THAT THE SYRIANS HAD PRIVATELY

MADE PROMISES TO THE IRANIANS ABOUT LEBANON. THE PUBLIC STATEMENT MAY, THEREFORE, NOT BE WORTH THE PAPER IT IS WRITTEN ON, BUT IT DOES SUGGEST THAT IRAN MAY BE A LITTLE MORE RESIGNED THAN PREVIOUSLY TO SYRIA'S DETERMINATION TO HAVE ITS WAY IN LEBANON.

18. AS REGARDS JORDAN AND IRAQ, IT IS CLEAR THAT THE SYRIANS HAVE GONE TO SOME LENGTHS TO REASSURE THE IRANIANS. NOTHING HAS COME OF 'ABDALLAH'S EFFORTS FOR SYRIAN RECONCILIATION WITH IRAQ AS YET, AND NOTHING IN THE COMMUNIQUE EMERGING FROM TEHRAN WOULD GIVE REASON FOR OPTIMISM ABOUT SYRIAN WILLINGNESS TO IMPROVE RELATIONS WITH IRAQ. AS FOR JORDAN, ASAD PROBABLY AFFIRMED TO THE IRANIANS THAT HE HAS GIVEN UP NOTHING AT ALL IN THE PROCESS, I.E., THAT THE RECONCILIATION HAS INVOLVED ONLY JORDAN'S COMING TOWARD SYRIA AND NONE OF THE REVERSE.

19. THE IRANIAN CONCESSIONS ON DEBT AND LEBANON ILLUSTRATE HOW IMPORTANT THE RELATIONSHIP WITH SYRIA IS TO IRAN. THERE WAS A TIME WHEN WE PUT EMPHASIS ON THE SYRIAN CLOSURE OF THE KIRKUK-HOMS PIPELINE, BUT WITH THE DEVELOPMENT OF ALTERNATIVE PIPELINES, THIS IS NO LONGER A COMPELLING ARGUMENT. THE IMPORTANCE OF SYRIA TO IRAN NOW IS POLITICAL. IRAN PLACES GREAT PSYCHOLOGICAL VALUE ON NOT HAVING TO CONFRONT UNITED ARAB HOSTILITY. IT ALSO VALUES SYRIAN ASSISTANCE IN IRANIAN PURCHASES OF ARMS, ALTHOUGH IRAN COULD PROBABLY FIND OTHER AVENUES TO MEET ITS MILITARY NEEDS.

110. SECOND, THE RELIGIOUS-IDEOLOGICAL COMPONENT IS IMPORTANT. IRAN IS AN EVANGELIZING NATION, BOTH ON THE ISLAMIC PLANE AND, PARTICULARLY, ON THE SHI'A PLANE. LEBANON IS A KEY ELEMENT IN THIS MISSION; AND SYRIA HOLDS THE KEY TO LEBANON. MOREOVER, SYRIA IS SYMPATHETIC WITH IRAN'S CRUSADE AGAINST THE SUNNI OVERLORD OF IRAQ, WHICH IS A MAJORITY SHI'A COUNTRY. A FACTOR OF POSSIBLE IMPORTANCE IS THE SHI'A/'ALAWI TIE. MANY OF THE IRANIAN MULLAHS VIEW THE 'ALAWIS AS HERETICAL AND DESPICABLE; BUT WE ALSO THINK IT LIKELY THAT AT LEAST SOME OF THE MULLAHS FEEL CLOSER TO THE 'ALAWIS THAN TO THE SUNNIS. FOR HIS PART, ASAD IS FIRST AND FOREMOST A SECULAR BA'THI, BUT WE NEVER UNDERESTIMATE HOW DEEP THE ETHNIC STRAINS RUN IN SYRIA, AND WE DO NOT EXCLUDE ASAD FROM THESE PREJUDICES. THE 'ALAWIS SHARE WITH THE OTHER SYRIAN MINORITIES A HOSTILITY TOWARD THE SUNNI MAJORITY; UNDER ASAD, THEY HAVE PROCLAIMED THEMSELVES TO BE ORTHODOX SHI'A; AND ASAD IS THEIR LEADER, AS WELL AS--AND PERHPAS BEFORE BEING--LEADER OF THE COUNTRY.

ASAD, THE CONSUMMATE BALANCER

111. WE DOUBT THAT KASM WENT TO IRAN WITH ANY SPECIFIC THREATS, BUT IT IS ALSO LIKELY THAT ASAD LET IT BE KNOWN POLITELY TO THE IRANIANS THAT HE HAD OTHER ALTERNATIVES--IN PARTICULAR, TURNING TO THE SAUDIS TO MAKE UP FOR THE CUTOFF OF IRANIAN OIL DELIVERIES. IT IS, HOWEVER, A COURSE WHICH ASAD WANTED TO AVOID. THE PRESENT SITUATION--OF HOSTILE BENEFACTORS--IS ONE THAT SUITS ASAD PERFECTLY. WHILE NEITHER OF HIS PRINCIPAL BENEFACTORS IS HAPPY, THEY GO ON BEING GENEROUS--IN LARGE PART BECAUSE OF THEIR MUTUAL ANTIPATHY. THERE IS EVERY LIKELIHOOD, FOR THE NEAR TERM, AT LEAST, THAT ASAD WILL BE ABLE TO GO ON EXTRACTING LARGESSE FROM BOTH OF THESE GOLDEN GEESE. FOR THEIR PART, THE SAUDIS APPEAR TO SEE SOME VALUE IN THE SYRIAN RELATIONSHIP TO IRAN, AS THEY HOPE THAT SYRIA WILL USE IT TO PRESSURE IRAN NOT TO ATTACK THE GULF.

CONCLUSION

¶12. THE REAFFIRMATION OF THE SYRIAN-IRANIAN RELATIONSHIP DURING THE KASM VISIT TO TEHRAN INDICATES THAT THE TENSIONS OF THE PAST THREE MONTHS HAVE ABATED. AS WE HAVE SUGGESTED IN PREVIOUS REPORTING, THERE IS CONSIDERABLE RESILIENCY IN THE RELATIONSHIP, DESPITE THE PROFOUND DIFFERENCE IN THE TWO COUNTRIES' CULTURES AND IDEOLOGIES. FOR IRAN, THE RELATIONSHIP RESTS ON MORE THAN LEBANON OR A PIPELINE, IMPORTANT AS THESE ARE. FOR SYRIA, THE ECONOMIC ELEMENT IS VERY IMPORTANT, AND ASAD'S ATTACHMENT TO IRAN MIGHT FALL BY THE WAYSIDE IF IRAN PERSISTED IN WITHHOLDING OIL (INDEED, WE STILL AWAIT CONCLUSIVE EVIDENCE THAT OIL DELIVERIES HAVE RESUMED). YET, IT IS CLEAR THAT ASAD PREFERS TO HAVE IRAN AS ONE OF HIS MAJOR BENEFACTORS, HE IS CONTENT WITH THE PRESENT STATE OF THE IRAN-IRAQ WAR (THOUGH AN IRANIAN INVASION OF KUWAIT OR A TOTAL DEFEAT OF IRAQ WOULD PRESUMABLY ALTER THIS VIEW--WHILE A "MERE" SUCCESS NORTH OF BASRA MIGHT NOT), AND HE SHARES WITH IRAN AN IMPLACABLE HOSTILITY TOWARD IRAQ AND ISRAEL. THE 'ALAWI-SHI'A BOND MAY BE A FACTOR OF IMPORTANCE.

¶13. BEIRUT MINIMIZE CONSIDERED.

EAGLETON